**Quarterly rpt on consolidated results for the financial period ended 30/6/2012**

GENTING BERHAD
29/08/2012 07:00:18 PM

| | |
|---|---|
| Financial Year End | 31/12/2012 |
| Quarter | 2 |
| Quarterly report for the financial period ended | 30/06/2012 |
| The figures | have not been audited |

**Attachments**

GENT-2nd Grp Qtrly Rept 2012.pdf
174 KB

Genting Berhad - Press Release 2Q2012.pdf
50 KB

Remarks :
**A Press Release by the Company in connection with the 2012 Second Quarterly Report is attached above.**

- Default Currency
- Other Currency

Currency: **Malaysian Ringgit (MYR)**

**SUMMARY OF KEY FINANCIAL INFORMATION**
**30/06/2012**

| | **INDIVIDUAL PERIOD** | | **CUMULATIVE PERIOD** | |
|---|---|---|---|---|
| | **CURRENT YEAR QUARTER** | **PRECEDING YEAR CORRESPONDING QUARTER** | **CURRENT YEAR TO DATE** | **PRECEDING YEAR CORRESPONDING PERIOD** |
| | 30/06/2012 | 30/06/2011 | 30/06/2012 | 30/06/2011 |
| | **$$'000** | **$$'000** | **$$'000** | **$$'000** |
| **1 Revenue** | 4,512,673 | 4,462,807 | 8,933,727 | 9,351,965 |
| **2 Profit/(loss) before tax** | 1,391,179 | 1,548,429 | 2,848,119 | 3,439,078 |
| **3 Profit/(loss) for the period** | 1,051,754 | 1,197,598 | 2,195,257 | 2,643,648 |
| **4 Profit/(loss) attributable to ordinary equity holders of the parent** | 534,548 | 673,220 | 1,228,181 | 1,497,396 |
| **5 Basic earnings/(loss) per share (Subunit)** | 14.47 | 18.17 | 33.26 | 40.42 |
| **6 Proposed/Declared dividend per share (Subunit)** | 3.50 | 3.50 | 3.50 | 3.50 |

| | **AS AT END OF CURRENT QUARTER** | **AS AT PRECEDING FINANCIAL YEAR END** |
|---|---|---|
| **7 Net assets per share attributable to ordinary equity holders of the parent ($$)** | 5.1800 | 4.7700 |

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.
Example for the subunit as follows:

| **Country** | **Base Unit** | **Subunit** |
|---|---|---|
| Malaysia | Ringgit | Sen |
| United States | Dollar | Cent |
| United Kingdom | Pound | Pence |

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**Announcement Info**

| | |
|---|---|
| Company Name | GENTING BERHAD |
| Stock Name | GENTING |
| Date Announced | 29 Aug 2012 |
| Category | Financial Results |
| Reference No | GG-120829-05D7A |

GENTING
BERHAD

## SECOND QUARTERLY REPORT

Quarterly report on consolidated results for the second quarter ended 30 June 2012. The figures have not been audited.

### CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2012

| | INDIVIDUAL QUARTER | | CUMULATIVE PERIOD | |
|---|---|---|---|---|
| | Current Year Quarter 30/06/2012 RM'000 | Preceding Year Corresponding Quarter 30/06/2011 RM'000 | Current Year To-Date 30/06/2012 RM'000 | Preceding Year Corresponding Period 30/06/2011 RM'000 |
| **Revenue** | **4,512,673** | 4,462,807 | **8,933,727** | 9,351,965 |
| Cost of sales | **(2,626,978)** | (2,726,661) | **(5,295,449)** | (5,342,483) |
| **Gross profit** | **1,885,695** | 1,736,146 | **3,638,278** | 4,009,482 |
| Other income | | | | |
| - gain on disposal of subsidiaries | **-** | - | **174,298** | - |
| - others | **81,719** | 213,325 | **208,689** | 354,016 |
| Net fair value gain/(loss) on derivative financial instruments | **59,899** | (3,237) | **44,653** | (494) |
| Impairment losses | **-** | - | **(2,822)** | (3,863) |
| Other expenses | **(538,956)** | (338,422) | **(1,012,252)** | (712,586) |
| Finance cost | **(117,475)** | (107,771) | **(228,918)** | (256,723) |
| Share of results in jointly controlled entities and associates | **20,297** | 48,388 | **26,193** | 49,246 |
| **Profit before taxation** | **1,391,179** | 1,548,429 | **2,848,119** | 3,439,078 |
| Taxation | **(339,425)** | (350,831) | **(652,862)** | (795,430) |
| **Profit for the period** | **1,051,754** | 1,197,598 | **2,195,257** | 2,643,648 |
| Profit attributable to: | | | | |
| Equity holders of the Company | **534,548** | 673,220 | **1,228,181** | 1,497,396 |
| Holders of perpetual capital securities of a subsidiary | **70,754** | - | **83,081** | - |
| Non-controlling interests | **446,452** | 524,378 | **883,995** | 1,146,252 |
| | **1,051,754** | 1,197,598 | **2,195,257** | 2,643,648 |
| Earnings per share (sen) for profit attributable to equity holders of the Company: | | | | |
| - Basic | **14.47** | 18.17 | **33.26** | 40.42 |
| - Diluted | **14.43** | 18.08 | **33.17** | 40.22 |

*(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011).*

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2012**

| | INDIVIDUAL QUARTER | | CUMULATIVE PERIOD | |
|---|---|---|---|---|
| | Current Year Quarter 30/06/2012 RM'000 | Preceding Year Corresponding Quarter 30/06/2011 RM'000 | Current Year To-Date 30/06/2012 RM'000 | Preceding Year Corresponding Period 30/06/2011 RM'000 |
| **Profit for the period** | **1,051,754** | 1,197,598 | **2,195,257** | 2,643,648 |
| **Other comprehensive income/(loss):** | | | | |
| Cash flow hedges | | | | |
| - Fair value loss | **(3,466)** | (1,928) | **(8,721)** | (2,356) |
| - Reclassifications | **12,947** | (567) | **14,157** | 24,698 |
| Available-for-sale financial assets | | | | |
| - Fair value (loss)/gain | **(282,322)** | (47,507) | **377,983** | (112,687) |
| - Reclassified to profit or loss upon disposal | **(20,442)** | (144,013) | **(21,115)** | (144,013) |
| Share of other comprehensive loss of jointly controlled entities and associates | **(144)** | (68) | **(5,888)** | (74) |
| Net foreign currency exchange differences | **635,796** | 381,534 | **425,326** | 239,130 |
| **Other comprehensive income for the period, net of tax** | **342,369** | 187,451 | **781,742** | 4,698 |
| **Total comprehensive income for the period** | **1,394,123** | 1,385,049 | **2,976,999** | 2,648,346 |
| Total comprehensive income attributable to: | | | | |
| Equity holders of the Company | **715,162** | 827,933 | **1,650,947** | 1,580,809 |
| Holders of perpetual capital securities of a subsidiary | **70,754** | - | **83,081** | - |
| Non-controlling interests | **608,207** | 557,116 | **1,242,971** | 1,067,537 |
| | **1,394,123** | 1,385,049 | **2,976,999** | 2,648,346 |

*(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011).*

**GENTING BERHAD**
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
**AS AT 30 JUNE 2012**

| | As At 30 Jun 2012 RM'000 | Audited As At 31 Dec 2011 RM'000 |
|---|---|---|
| **ASSETS** | | |
| **NON-CURRENT ASSETS** | | |
| Property, plant and equipment | 22,429,847 | 21,629,650 |
| Land held for property development | 529,135 | 539,738 |
| Investment properties | 1,272,298 | 1,306,094 |
| Plantation development | 1,065,197 | 1,007,644 |
| Leasehold land use rights | 163,671 | 161,154 |
| Intangible assets | 6,424,652 | 6,504,457 |
| Exploration costs | 1,088,970 | 890,047 |
| Jointly controlled entities | 225,088 | 149,573 |
| Associates | 727,881 | 811,323 |
| Available-for-sale financial assets | 4,000,757 | 1,913,390 |
| Derivative financial instruments | 76,186 | 69,810 |
| Deferred tax assets | 135,640 | 146,545 |
| Other non-current assets | 422,762 | 386,098 |
| | 38,562,084 | 35,515,523 |
| **CURRENT ASSETS** | | |
| Property development costs | 23,536 | 18,316 |
| Inventories | 562,108 | 539,037 |
| Trade and other receivables | 2,627,668 | 2,804,642 |
| Amounts due from jointly controlled entities and associates | 7,610 | 14,489 |
| Financial assets at fair value through profit or loss | 4,207 | 65,043 |
| Available-for-sale financial assets | 2,072,546 | 696,002 |
| Derivative financial instruments | - | 409 |
| Restricted cash | 428,595 | 1,124,606 |
| Cash and cash equivalents | 19,851,943 | 13,235,748 |
| | 25,578,213 | 18,498,292 |
| Assets classified as held for sale | 104,968 | 330,853 |
| | 25,683,181 | 18,829,145 |
| **TOTAL ASSETS** | 64,245,265 | 54,344,668 |
| **EQUITY AND LIABILITIES** | | |
| **Equity attributable to equity holders of the Company** | | |
| Share capital | 371,903 | 371,566 |
| Treasury shares | (209,869) | (209,585) |
| Reserves | 18,989,196 | 17,456,793 |
| | 19,151,230 | 17,618,774 |
| **Perpetual capital securities of a subsidiary** | 5,767,713 | - |
| **Non-controlling interests** | 16,538,099 | 15,548,169 |
| **TOTAL EQUITY** | 41,457,042 | 33,166,943 |
| **NON-CURRENT LIABILITIES** | | |
| Long term borrowings | 13,080,668 | 11,651,973 |
| Deferred tax liabilities | 1,909,629 | 1,940,110 |
| Derivative financial instruments | 94,970 | 9,365 |
| Other non-current liabilities | 345,564 | 332,955 |
| | 15,430,831 | 13,934,403 |
| **CURRENT LIABILITIES** | | |
| Trade and other payables | 4,510,964 | 4,376,660 |
| Amount due to jointly controlled entities and associates | 13,545 | 10,548 |
| Short term borrowings | 2,082,546 | 2,514,659 |
| Derivative financial instruments | 73,200 | 21,835 |
| Taxation | 543,035 | 311,063 |
| Dividend payable | 124,680 | - |
| | 7,347,970 | 7,234,765 |
| Liabilities classified as held for sale | 9,422 | 8,557 |
| | 7,357,392 | 7,243,322 |
| **TOTAL LIABILITIES** | 22,788,223 | 21,177,725 |
| **TOTAL EQUITY AND LIABILITIES** | 64,245,265 | 54,344,668 |
| **NET ASSETS PER SHARE (RM)** | 5.18 | 4.77 |

*(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011).*

**GENTING BERHAD**
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2012**

| | ← | | | Attributable to equity holders of the Company | | | | | → | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Share Capital RM'000 | Share Premium RM'000 | Revaluation Reserve RM'000 | Fair Value Reserve RM'000 | Cash Flow Hedge Reserve RM'000 | Other Reserves RM'000 | Retained Earnings RM'000 | Treasury Shares RM'000 | Total RM'000 | Perpetual Capital Securities of a Subsidiary RM'000 | Non-controlling Interests RM'000 | Total Equity RM'000 |
| At 1 January 2012 | 371,566 | 1,184,934 | 313,744 | 679,838 | (5,076) | (935,572) | 16,218,925 | (209,585) | 17,618,774 | - | 15,548,169 | 33,166,943 |
| Profit for the period | - | - | - | - | - | - | 1,228,181 | - | 1,228,181 | 83,081 | 883,995 | 2,195,257 |
| Other comprehensive income/(loss) | - | - | - | 211,821 | 2,877 | 208,104 | (36) | - | 422,766 | - | 358,976 | 781,742 |
| Total comprehensive income for the period | - | - | - | 211,821 | 2,877 | 208,104 | 1,228,145 | - | 1,650,947 | 83,081 | 1,242,971 | 2,976,999 |
| Transfer due to realisation of revaluation reserve | - | - | (535) | - | - | - | 535 | - | - | - | - | - |
| Effects arising from changes in composition of the Group | - | - | - | - | - | - | (3,195) | - | (3,195) | - | 40 | (3,155) |
| Effects of share-based payment | - | - | - | - | - | - | - | - | - | - | 30,451 | 30,451 |
| Effects of issue of shares by subsidiaries | - | - | - | - | - | - | - | - | - | - | 24,026 | 24,026 |
| Issuance of perpetual capital securities by a subsidiary | - | - | - | - | - | - | - | - | - | 5,684,632 | - | 5,684,632 |
| Issue of shares | 337 | 9,331 | - | - | - | - | - | - | 9,668 | - | - | 9,668 |
| Buy-back of shares by the Company and subsidiaries | - | - | - | - | - | - | - | (284) | (284) | - | (120) | (404) |
| Dividends to non-controlling interests | - | - | - | - | - | - | - | - | - | - | (307,438) | (307,438) |
| Appropriation: | | | | | | | | | | | | |
| Final dividend for financial year ended 31 December 2011 | - | - | - | - | - | - | (124,680) | - | (124,680) | - | - | (124,680) |
| **Balance at 30 June 2012** | 371,903 | 1,194,265 | 313,209 | 891,659 | (2,199) | (727,468) | 17,319,730 | (209,869) | 19,151,230 | 5,767,713 | 16,538,099 | 41,457,042 |

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011).*

**GENTING BERHAD**
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2011**

| | Attributable to equity holders of the Company | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Share Capital RM'000 | Share Premium RM'000 | Revaluation Reserve RM'000 | Fair Value Reserve RM'000 | Cash Flow Hedge Reserve RM'000 | Other Reserves RM'000 | Retained Earnings RM'000 | Treasury Shares RM'000 | Total RM'000 | Non-controlling Interests RM'000 | Total Equity RM'000 |
| At 1 January 2011 | 371,356 | 1,179,121 | 315,083 | 1,079,850 | (16,228) | (1,187,597) | 13,799,067 | (43,194) | 15,497,458 | 13,949,034 | 29,446,492 |
| Profit for the period | - | - | - | - | - | - | 1,497,396 | - | 1,497,396 | 1,146,252 | 2,643,648 |
| Other comprehensive income/(loss) | - | - | - | (52,121) | 15,152 | 125,615 | (5,233) | - | 83,413 | (78,715) | 4,698 |
| Total comprehensive income/(loss) for the period | - | - | - | (52,121) | 15,152 | 125,615 | 1,492,163 | - | 1,580,809 | 1,067,537 | 2,648,346 |
| Transfer due to realisation of revaluation reserve | - | - | (775) | - | - | - | 775 | - | - | - | - |
| Effects arising from changes in composition of the Group | - | - | - | - | - | - | (156,953) | - | (156,953) | (136,401) | (293,354) |
| Effects of share-based payment | - | - | - | - | - | - | - | - | - | 24,373 | 24,373 |
| Effects of issue of shares by subsidiaries | - | - | - | - | - | - | - | - | - | 15,463 | 15,463 |
| Issue of shares | 64 | 1,763 | - | - | - | - | - | - | 1,827 | - | 1,827 |
| Buy-back of shares by the company and subsidiaries | - | - | - | - | - | - | - | (204) | (204) | (31,223) | (31,427) |
| Dividends to non-controlling interests | - | - | - | - | - | - | - | - | - | (122,655) | (122,655) |
| Appropriation: | | | | | | | | | | | |
| Final dividend for financial year ended 31 December 2010 | - | - | - | - | - | - | (125,058) | - | (125,058) | - | (125,058) |
| **Balance at 30 June 2011** | 371,420 | 1,180,884 | 314,308 | 1,027,729 | (1,076) | (1,061,982) | 15,009,994 | (43,398) | 16,797,879 | 14,766,128 | 31,564,007 |

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011).*

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2012

| | Current Year-To-Date RM'000 | Preceding Year Corresponding Period RM'000 |
|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | |
| Profit before taxation | **2,848,119** | 3,439,078 |
| Adjustments for: | | |
| Depreciation and amortisation | **841,940** | 655,834 |
| Finance cost | **228,918** | 256,723 |
| Impairment loss and write off of receivables | **166,617** | 106,380 |
| Construction loss/(profit) | **48,150** | (28,414) |
| Property, plant and equipment written off | **10,922** | 62,543 |
| Impairment losses | **2,822** | 3,863 |
| Gain on disposal of subsidiaries | **(174,298)** | - |
| Interest income | **(108,846)** | (83,038) |
| Net fair value (gain)/loss on derivative financial instruments | **(44,653)** | 494 |
| Share of results in jointly controlled entities and associates | **(26,193)** | (49,246) |
| Gain on disposal of available-for-sale financial assets | **(21,115)** | (144,013) |
| Other non-cash items | **75,790** | (34,376) |
| | **1,000,054** | 746,750 |
| **Operating profit before changes in working capital** | **3,848,173** | 4,185,828 |
| Net change in current assets | **(118,194)** | (624,757) |
| Net change in current liabilities | **(342,483)** | (187,958) |
| | **(460,677)** | (812,715) |
| **Cash generated from operations** | **3,387,496** | 3,373,113 |
| Taxation paid | **(512,037)** | (339,114) |
| Retirement gratuities paid | **(4,815)** | (2,603) |
| Other operating activities | **21,446** | (1,087) |
| | **(495,406)** | (342,804) |
| **NET CASH FROM OPERATING ACTIVITIES** | **2,892,090** | 3,030,309 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | |
| Purchase of property, plant and equipment | **(1,486,247)** | (1,967,140) |
| Increase in investments, intangible assets and other long term financial assets | **(2,526,046)** | (1,405,174) |
| Net cash inflow arising on disposal of subsidiaries * | **420,694** | - |
| Interest received | **87,745** | 80,480 |
| Proceeds from disposal of investments | **38,900** | 372,066 |
| Other investing activities | **94,910** | 59,688 |
| **NET CASH USED IN INVESTING ACTIVITIES** | **(3,370,044)** | (2,860,080) |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | |
| Repayment of borrowings and transaction costs | **(1,469,023)** | (9,735,597) |
| Finance cost paid | **(215,315)** | (208,555) |
| Dividends paid to non-controlling interests | **(188,837)** | (13,537) |
| Buy-back of shares by the Company and subsidiaries | **(404)** | (31,427) |
| Proceeds from issuance of perpetual capital securities of a subsidiary | **5,747,074** | - |
| Proceeds from issuance of medium term notes | **2,000,000** | - |
| Restricted cash (deposits pledged as borrowings and interest payments) | **623,984** | 31,785 |
| Proceeds from bank borrowings | **273,182** | 9,892,746 |
| Other financing activities | **35,169** | (5,424) |
| **NET CASH FROM/(USED IN) FINANCING ACTIVITIES** | **6,805,830** | (70,009) |
| **NET INCREASE IN CASH AND CASH EQUIVALENTS** | **6,327,876** | 100,220 |
| **CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD** | **13,235,748** | 14,548,553 |
| **EFFECTS OF CURRENCY TRANSLATION** | **288,319** | 281,111 |
| **CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD** | **19,851,943** | 14,929,884 |
| **ANALYSIS OF CASH AND CASH EQUIVALENTS** | | |
| Bank balances and deposits | **15,841,108** | 12,424,747 |
| Money market instruments | **4,010,835** | 2,505,137 |
| | **19,851,943** | 14,929,884 |

*(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011).*

GENTING BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2012

## * NET CASH INFLOW ARISING ON DISPOSAL OF SUBSIDIARIES

In February 2012, the Company disposed off its indirect 100% equity interests in Genting Oil Natuna Pte Ltd and Sanyen Oil & Gas Pte Ltd to AWE Limited. The details of the net assets disposed and cash flow arising from the disposal are as follows:

| | **As at date of disposal RM'000** |
|---|---|
| Property, plant and equipment | **352** |
| Exploration costs | **229,197** |
| Other non-current assets | **14,172** |
| Inventories | **3,713** |
| Trade and other receivables | **508** |
| Cash and cash equivalents | **861** |
| Trade and other payables | **(7,700)** |
| Net assets disposed off | **241,103** |
| Gain on disposal of subsidiaries | **174,298** |
| Provision for shortfall in Authorisation For Expenditure | **6,154** |
| Cash proceeds from disposal | **421,555** |
| Less: Cash and cash equivalents in subsidiaries disposed off | **(861)** |
| **Net cash inflow on disposal** | **420,694** |

## (I) Compliance with Financial Reporting Standard ("FRS") 134: Interim Financial Reporting

### (a) Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard ("FRS") 134: "Interim Financial Reporting" and paragraph 9.22 of Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements. The financial information for the current half year ended 30 June 2012 have been reviewed by the Company's auditor in accordance with the International Standards on Review Engagements ("ISRE") 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2011. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2011 except for:

(a) the adoption of new FRSs, amendments and IC Interpretations that are mandatory for the Group for the financial year beginning 1 January 2012; and

(b) the accounting policy on the perpetual capital securities of a subsidiary.

The adoption of these new FRSs, amendments and IC Interpretations do not have a material impact on the interim financial information of the Group.

**Malaysian Financial Reporting Standards**

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS Framework").

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 "Agriculture" and IC Interpretation 15 "Agreements for Construction of Real Estate", including its parent, significant investor and venturer (herein called "Transitioning Entities").

Transitioning Entities were originally allowed to defer adoption of the new MFRS Framework for an additional one year. However, on 30 June 2012, MASB decided to allow Transitioning Entities to further defer the adoption of the MFRS for another year, thereby making the adoption of the MFRS Framework by Transitioning Entities mandatory for annual periods beginning on or after 1 January 2014.

The Group falls within the scope definition of Transitioning Entities and accordingly, will adopt the MFRS Framework for the financial year ending 31 December 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. Adjustments required on transition, if any, will be made retrospectively against opening retained earnings.

**Perpetual capital securities of a subsidiary**

Perpetual capital securities are classified as equity when there is no contractual obligation to deliver cash or other financial assets to another person or entity or to exchange financial assets or financial liabilities with another person or entity that are potentially unfavourable to the issuer. Incremental costs directly attributable to the issuance of new perpetual capital securities are shown in equity as a deduction, net of tax, from the proceeds.

(b) **Seasonal or Cyclical Factors**

On an overall basis, the business operations of the Group's Leisure & Hospitality Division and Plantation Division are subject to seasonal fluctuations. The results of the Leisure & Hospitality Division are affected by major festive seasons and holidays. Fresh fruit bunches ("FFB") production is seasonal in nature. Production of FFB normally peaks in the second half of the year but this cropping pattern can be affected by changes in weather conditions. More detailed commentary is set out in Notes 1 and 2 in Part II of this interim financial report.

(c) **Unusual items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the current half year ended 30 June 2012.

(d) **Material Changes in Estimates**

There have been no significant changes made in estimates of amounts reported in prior financial years.

(e) **Changes in Debt and Equity Securities**

i) The Company issued 3,372,000 new ordinary shares of 10 sen each, for cash, arising from the exercise of options granted under the Genting Executive Share Option Scheme ("ESOS") at exercise prices of RM2.616 and RM2.868 per ordinary share for the current half year ended 30 June 2012.

ii) During the current half year ended 30 June 2012, the Company had purchased a total of 27,000 ordinary shares of 10 sen each of its issued share capital from the open market for a total consideration of RM0.3 million. The share buy-back transactions were financed by internally generated funds. The purchased shares are held as treasury shares in accordance with the requirements of Section 67A (as amended) of the Companies Act, 1965.

iii) On 8 June 2012, Genting Capital Berhad, a wholly owned subsidiary of the Company, issued RM0.5 billion nominal amount of 10-year Medium Term Notes ("MTNs") and RM1.5 billion nominal amount of 15-year MTNs pursuant to establishing a RM2.0 billion nominal value MTNs programme. The issue was at coupon rates of 4.42% per annum and 4.86% per annum, respectively, payable semi-annually and guaranteed by the Company.

iv) On 12 March 2012 and 18 April 2012, Genting Singapore PLC ("GENS"), a 52.0% subsidiary of the Company, issued SGD1.8 billion 5.125% perpetual capital securities ("Institutional Securities") and SGD0.5 billion 5.125% perpetual capital securities ("Retail Securities") respectively at an issue price of 100 per cent. The perpetual capital securities were issued for the GENS Group's general corporate purposes as well as to finance capital expenditure and expansion of its business.

Other than the above, there were no other issuance, cancellation, share buy-back, resale and repayment of debt securities of the Group and equity securities of the Company for the current half year ended 30 June 2012.

(f) **Dividends Paid**

No dividend has been paid during the current half year ended 30 June 2012.

(g) **Segment Information**

The segments are reported in a manner that is consistent with the internal reporting provided to the chief operating decision maker whereby the Group's business is considered from both a geographic and industry perspective. The performance of the operating segments is based on a measure of adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA"). This measurement basis also excludes the effects of non-recurring items from the operating segments, such as net fair value gain and loss, gain or loss on disposal of financial assets, reversal of previously recognised impairment loss, impairment losses, pre-opening expenses, development expenses, property related termination costs, assets written off, gain or loss on disposal of assets and share-based payment expenses.

(g) **Segment Information (Cont'd)**

Segment analysis for the current half year ended 30 June 2012 is set out below:

| RM'million | Leisure & Hospitality | | | | | Power | Plantation | Property | Oil & Gas | Investments & Others | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| | Malaysia | Singapore | United Kingdom | United States of America | Total | | | | | | |
| **Revenue** | | | | | | | | | | | |
| Total revenue | 3,217.4 | 3,633.0 | 816.2 | 435.1 | 8,101.7 | 713.2 | 514.9 | 88.9 | 5.1 | 35.8 | 9,459.6 |
| Inter segment | (509.2) | (0.8) | (3.3) | - | (513.3) | - | - | (2.9) | (5.1) | (4.6) | (525.9) |
| External | 2,708.2 | 3,632.2 | 812.9 | 435.1 | 7,588.4 | 713.2 | 514.9 | 86.0 | - | 31.2 | 8,933.7 |
| **Adjusted EBITDA** | 1,283.3 | 1,699.4 | 164.6 | 61.9 | 3,209.2 | 266.9 | 191.4 | 39.5 | (30.5) | (53.0) | 3,623.5 |
| Segment Assets | 4,167.8 | 19,811.8 | 3,576.2 | 2,740.9 | 30,296.7 | 2,935.9 | 2,266.7 | 2,296.7 | 1,063.0 | 6,829.4 | 45,688.4 |

A reconciliation of adjusted EBITDA to profit before tax is as follows:

| | RM'million |
|---|---|
| Adjusted EBITDA | 3,623.5 |
| Net fair value gain on derivative financial instruments | 44.7 |
| Net fair value gain on financial assets at fair value through profit or loss | 3.9 |
| Gain on disposal of available-for-sale financial assets | 21.1 |
| Gain on disposal of subsidiaries | 174.3 |
| Impairment losses | (2.8) |
| Others (include pre-opening and development expenses, assets written off, gain or loss on disposal of assets and share-based payment expenses) | (80.8) |
| EBITDA | 3,783.9 |
| Depreciation and amortisation | (841.9) |
| Interest income | 108.8 |
| Finance cost | (228.9) |
| Share of results in jointly controlled entities and associates | 26.2 |
| **Profit before taxation** | **2,848.1** |

(g) **Segment Information (Cont'd)**

A reconciliation of segment assets to total assets is as follows:

| | **RM'million** |
|---|---|
| Segment assets | 45,688.4 |
| Interest bearing instruments | 17,436.2 |
| Jointly controlled entities | 225.1 |
| Associates | 727.9 |
| Deferred tax assets | 135.6 |
| Current tax assets | 32.1 |
| **Total assets** | **64,245.3** |

(h) **Valuation of Property, Plant and Equipment**

Property, plant and equipment, which are stated at revalued amounts, have been brought forward without amendment from the previous annual financial statements.

(i) **Material Events Subsequent to the end of the financial period**

On 13 August 2012, the Company announced that the Company and its indirect wholly owned subsidiaries, Genting Power Holdings Limited ("GPHL") and Genting Power (M) Limited ("GPML"), had on that day entered into conditional share sale and purchase agreements with Asia Trade Investment Limited ("Asia Trade"), Mr Ong Tiong Soon @ Wang Chang Chuen ("TS Ong") and 1Malaysia Development Berhad ("1MDB") for the disposal by the Company, GPML and Asia Trade of their respective shareholding interests in Mastika Lagenda Sdn Bhd ("Mastika Lagenda") to 1MDB as follows:

i) A conditional share sale and purchase agreement dated 13 August 2012 between GPML, GPHL (as guarantor for GPML), Asia Trade, TS Ong (as guarantor for Asia Trade) and 1MDB ("OSSPA") for:

   (a) the proposed disposal by GPML of its entire 97.7% interest in the issued and paid-up ordinary share capital of Mastika Lagenda, comprising 293,100 ordinary shares of RM1.00 each to 1MDB for a cash consideration of RM2,108,365,023 ("Proposed Share Disposal"); and

   (b) The proposed disposal by Asia Trade of its entire 2.3% interest in the issued and paid-up ordinary share capital of Mastika Lagenda, comprising 6,900 ordinary shares of RM1.00 each, to 1MDB for a cash consideration of RM49,633,977;

   and

ii) A conditional share sale and purchase agreement dated 13 August 2012 between the Company, Asia Trade, TS Ong (as guarantor for Asia Trade) and 1MDB ("PSSPA") for:

   (a) the proposed disposal by the Company of its entire 97.7% interest in the issued and paid-up preference share capital of Mastika Lagenda, comprising 180,745 convertible non-cumulative redeemable preference shares of RM1.00 each to 1MDB for a cash consideration of RM179,768,977 ("Proposed CRPS Disposal"); and

   (b) the proposed disposal by Asia Trade of its entire 2.3% interest in the issued and paid-up preference share capital of Mastika Lagenda, comprising 4,255 convertible non-cumulative redeemable preference shares of RM1.00 each, to 1MDB for a cash consideration of RM4,232,023.

GPML is a direct wholly owned subsidiary of GPHL, which in turn, is an indirect wholly owned subsidiary of the Company. Asia Trade is an international business company incorporated in the British Virgin Islands that is controlled by TS Ong, the Chief Executive Officer of the Energy Division of the Group.

The Proposed Share Disposal and Proposed CRPS Disposal (collectively, "Proposed ML Disposal") are inter-conditional.

The Company further announced that Genting Sanyen (Malaysia) Sdn Bhd ("GSM"), an indirect 97.7% owned subsidiary of the Company, had on the same day entered into 3 conditional land sale and purchase agreements with Tiara Tanah Sdn Bhd ("Tiara Tanah"), an indirect wholly owned subsidiary of 1MDB dated 13 August 2012 for the proposed disposal by GSM to Tiara Tanah of 6 parcels of land measuring an aggregate of 3,216,189 square feet ("Properties") for a total cash consideration of RM38.8 million (collectively, "Proposed Land Disposal").

The Proposed Land Disposal is conditional on the completion of the Proposed ML Disposal but not vice-versa. The Proposed ML Disposal and Proposed Land Disposal shall collectively be referred to as the "Proposed Disposals".

In addition, 1MDB shall settle the inter-company advances owing by Mastika Lagenda to GSM amounting to RM208,000,000 in cash.

The Group is expected to record a one-off net gain of approximately RM1.9 billion from the Proposed Disposals, contributing to an increase of approximately 52 sen to the Group's consolidated earnings per share and net assets per share for the current financial year.

The Proposed ML Disposal is not subject to the receipt of any approvals from the Company's shareholders or any Malaysian regulatory authorities.

The Proposed Land Disposal is subject to the receipt of the following approvals:

i) approvals from the relevant land office/registry for the amalgamation and/or subdivision of certain titles comprising the Properties;

ii) approval from the Selangor State Authority for the transfer of 3 parcels of land to Tiara Tanah, under the new amalgamated and/or subdivided titles; and

iii) consents of other parties having rights of way or other interests over the Properties, if required.

The Company announced on 29 August 2012 that the parties to the OSSPA and PSSPA both dated 13 August 2012, had on 29 August 2012, mutually agreed to extend the date for completion of the Proposed ML Disposal from 30 August 2012 to 28 September 2012, or such later date as shall be mutually agreed by the parties.

The Proposed Land Disposal is expected to complete within 3 years from the date of the announcement.

The full details of the Proposed Disposals are available in the Company's announcement made on 13 August 2012 and subsequent announcement made on 29 August 2012.

Other than the above, there were no other material events subsequent to the end of the current half year ended 30 June 2012 that have not been reflected in this interim financial report.

(j) **Changes in the Composition of the Group**

i) On 25 January 2012, the Company announced that Swallow Creek Limited, an indirect 95% owned subsidiary of the Company had on 20 January 2012 entered into a Share Sale and Purchase Agreement with AWE Limited to dispose off its 100% equity interests in each of Genting Oil Natuna Pte Ltd ("GONPL") and Sanyen Oil & Gas Pte Ltd ("SOGPL") (the "Disposal").

GONPL and SOGPL are principally involved in oil and gas exploration and development in the Natuna Sea, Indonesia and own a 100% participating interest in the Northwest Natuna Production Sharing Contract and Anambas Production Sharing Contract in Indonesia respectively.

On 17 February 2012, the Company further announced that the Disposal had been completed on that day and both GONPL and SOGPL ceased to be subsidiaries of the Company with immediate effect. The Disposal gave rise to a gain of RM174.3 million.

ii) On 5 April 2012, all the shareholders of Resorts World Inc Pte Ltd ("RWI"), except for Genting Intellectual Property Pte Ltd ("GIP") (a wholly owned subsidiary of the Company) and KHRV Limited ("KHRV"), served a transfer notice offering to sell their respective entire 20% equity interest in RWI based on an offer price of SGD0.90 per RWI share (collectively, "Transfer Notices"), and the acceptance period for the respective offers for sale remained open up to 24 May 2012.

The shareholders of RWI are GIP, Resorts World Enterprise Limited ("RWEL"), Genting International Management Limited ("GIML"), Star Market Holdings Limited ("SMHL") and KHRV.

On 7 May 2012, KHRV notified GIML, SMHL and RWEL that pursuant to the Transfer Notices, it intended to acquire all the offered shares, and on 24 May 2012, GIP also indicated its intention to acquire all the offered shares.

Pursuant to the Shareholders Agreement dated 23 November 2010 and the Articles of Association of RWI, as both GIP and KHRV had notified GIML, SMHL and RWEL of their intention to purchase all the offered shares, GIP and KHRV shall each be entitled to acquire the offered shares on a pro rata basis, i.e. 5,375,000 shares representing 10% shareholding each from GIML, SMHL and RWEL respectively.

The sale and purchase agreements were executed on 25 May 2012 and completion took place on 29 May 2012. Consequently, GIP and KHRV now each own 50% of RWI, and RWI will be regarded as a jointly controlled entity of GIP.

Other than the above, there were no other material changes in the composition of the Group for the current half year ended 30 June 2012.

(k) **Changes in Contingent Liabilities or Contingent Assets**

As disclosed in the audited financial statements for the financial year ended 31 December 2011, a subsidiary of the Genting Malaysia Berhad ("GENM") Group, which in turn is 49.3% owned by the Company, had received billings made by a contractor in respect of work performed for the subsidiary and an external consultant had been engaged by the subsidiary to review and verify these billings. Consequently, an appropriate amount of the billings had been recognised in the financial statements based on the consultant's independent review. The amount which was in dispute of RM83.0 million had not been recognised as a liability in the financial statements as at 31 December 2011 as the GENM Group was of the view that the obligation to settle it was not probable and had been disclosed as a contingent liability.

In May 2012, the subsidiary of GENM entered into a settlement agreement with the contractor to agree on a final settlement amount. As a result, a liability of RM48.2 million has been accrued in the interim financial statements as at 31 March 2012. The liability has been settled in the second quarter ended 30 June 2012.

Other than the above and the disclosure of the material litigation made in Note 11 in Part II of this interim financial report, there were no other significant changes in the contingent liabilities or contingent assets since the last financial year ended 31 December 2011.

(l) **Capital Commitments**

Authorised capital commitments not provided for in the interim financial statements as at 30 June 2012 are as follows:

| | **RM'million** |
|---|---|
| Contracted | 508.0 |
| Not contracted | 4,213.7 |
| | 4,721.7 |
| Analysed as follows: | |
| i) Group | |
| - Property, plant and equipment | 1,594.7 |
| - Investments | 1,386.2 |
| - Drilling and exploration costs | 707.6 |
| - Plantation development | 498.9 |
| - Development expenditure | 464.2 |
| - Leasehold land use rights | 53.2 |
| - Investment properties | 15.1 |
| - Available-for-sale financial assets | 1.6 |
| | 4,721.5 |
| ii) Share of capital commitment in jointly controlled entities | |
| - Investment properties | 0.2 |
| | 4,721.7 |

(m) **Significant Related Party Transactions**

Significant related party transactions which were entered into on agreed terms and prices for the current quarter and half year ended 30 June 2012 are set out below. The relationship of the related parties are as disclosed in the annual audited financial statements for the financial year ended 31 December 2011 and the approved shareholders' mandates for recurrent related party transactions.

| | | Current quarter RM'000 | Current financial year-to-date RM'000 |
|---|---|---|---|
| **<u>Group</u>** | | | |
| i) | Provision of share registration services and secretarial services by a wholly owned subsidiary of the Company to Genting Hong Kong Limited ("GENHK") Group. | 6 | 13 |
| ii) | Licensing fee for the use of the name "Genting" charged by wholly owned subsidiaries of the Company to Genting Simon Sdn Bhd. | 79 | 145 |
| iii) | Loss on the reduction of stake in RWI upon restructuring of RWI as disclosed in Note (j) ii) in Part 1 of this interim financial report. | 1,483 | 1,483 |
| iv) | Provision of management services by GaiaAgri Services Limited to AsianIndo Holdings Pte Ltd. | 554 | 1,034 |
| v) | Subscription by Genting Plantations Berhad ("GENP") Group of second tranche of 41,889 shares of Series A Preferred Stock in Agradis, Inc. GENP is a 54.6% subsidiary of the Company. | - | 773 |
| vi) | Provision of management services by Genting Awanpura Sdn Bhd, a wholly owned subsidiary of GENP, to Genting Simon Sdn Bhd. | 54 | 170 |
| vii) | Rental charges for premises by GENM to Oriregal Creations Sdn Bhd. | 381 | 740 |
| viii) | Purchase of holiday packages by GENM Group from GENHK Group. | 222 | 455 |
| ix) | Technical services fee rendered by RWI to GENM Group. | - | 690 |
| x) | Licensing fee for the use of "Resorts World" and "Genting" intellectual property in the United States of America charged by RWI to GENM Group. | 10,566 | 20,940 |
| xi) | Provision of information technology consultancy, development, implementation, support and maintenance service and other management services by GENM Group to GENHK Group. | 310 | 520 |
| xii) | Air ticketing services and provision of management services rendered by GENHK Group to GENS Group. | 2,504 | 4,688 |
| xiii) | Disposal of aircraft by GENS Group to GENHK Group. | 60,320 | 60,320 |
| xiv) | Provision of goods and services by DCP (Sentosa) Pte Ltd to GENS Group. | 15,792 | 29,882 |

| | Current quarter RM'000 | Current financial year-to-date RM'000 |
|---|---|---|
| **Company** | | |
| i) Licensing fees from the subsidiaries to the Company for the use of name and accompanying logo of "Genting" and "Awana" owned by the Company. | 47,430 | 93,711 |
| ii) Management fees from Genting Hotel & Resorts Management Sdn Bhd ("GHRM"), a wholly owned subsidiary of the Company, to the Company for the provision of the necessary resort management services to enable GHRM to perform its various obligations under the Resort Management Agreement with GENM. | 106,465 | 202,239 |
| iii) Interest income earned by the Company from its subsidiaries on the interest bearing portion of the amount due from subsidiaries. | 10,271 | 20,293 |
| iv) Finance cost charged by subsidiaries to the Company on the interest bearing portion of the amount due to subsidiaries. | 39,215 | 72,084 |
| v) Provision of information technology consultancy, development, implementation, support and maintenance service, other management services and rental of information technology equipment by subsidiaries to the Company. | 1,039 | 1,992 |
| vi) Rental charges for office space and related services by a subsidiary of GENM. | 564 | 1,129 |
| vii) Provision of management and/or support services by the Company to its subsidiaries, associates and jointly controlled entities. | 2,109 | 4,489 |

**GENTING BERHAD**
**ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – SECOND QUARTER ENDED 30 JUNE 2012**

**(II) Compliance with Appendix 9B of Bursa Securities Listing Requirements**

1. **Performance Analysis**

The comparison of the results are tabulated below:

| | Current Quarter 2012 RM'million | Current Quarter 2011 RM'million | % +/- | Preceding Quarter 1Q 2012 RM'million | % +/- | First Half 2012 RM'million | First Half 2011 RM'million | % +/- |
|---|---|---|---|---|---|---|---|---|
| **Revenue** | | | | | | | | |
| Leisure & Hospitality | | | | | | | | |
| - Malaysia | **1,397.7** | 1,327.2 | +5 | 1,310.5 | +7 | **2,708.2** | 2,650.0 | +2 |
| - Singapore | **1,728.9** | 1,758.9 | -2 | 1,903.3 | -9 | **3,632.2** | 3,943.7 | -8 |
| - United Kingdom | **470.9** | 187.0 | >100 | 342.0 | +38 | **812.9** | 533.7 | +52 |
| - United States of America | **216.7** | 363.1 | -40 | 218.4 | -1 | **435.1** | 627.7 | -31 |
| | **3,814.2** | 3,636.2 | +5 | 3,774.2 | +1 | **7,588.4** | 7,755.1 | -2 |
| Power | **371.5** | 438.3 | -15 | 341.7 | +9 | **713.2** | 920.6 | -23 |
| Plantation | **266.5** | 340.9 | -22 | 248.4 | +7 | **514.9** | 594.5 | -13 |
| Property | **45.4** | 29.4 | +54 | 40.6 | +12 | **86.0** | 51.0 | +69 |
| Oil & Gas | **-** | - | - | - | - | **-** | - | - |
| Investments & Others | **15.0** | 18.0 | -17 | 16.2 | -7 | **31.2** | 30.8 | +1 |
| | **4,512.6** | 4,462.8 | +1 | 4,421.1 | +2 | **8,933.7** | 9,352.0 | -4 |
| **Profit before tax** | | | | | | | | |
| Leisure & Hospitality | | | | | | | | |
| - Malaysia | **696.5** | 647.0 | +8 | 586.8 | +19 | **1,283.3** | 1,310.1 | -2 |
| - Singapore | **768.6** | 866.2 | -11 | 930.8 | -17 | **1,699.4** | 2,149.6 | -21 |
| - United Kingdom | **130.2** | (7.7) | >100 | 34.4 | >100 | **164.6** | 68.1 | >100 |
| - United States of America | **60.6** | 15.0 | >100 | 1.3 | >100 | **61.9** | 28.4 | >100 |
| | **1,655.9** | 1,520.5 | +9 | 1,553.3 | +7 | **3,209.2** | 3,556.2 | -10 |
| Power | **141.6** | 123.7 | +14 | 125.3 | +13 | **266.9** | 334.1 | -20 |
| Plantation | **92.9** | 192.3 | -52 | 98.5 | -6 | **191.4** | 328.7 | -42 |
| Property | **19.2** | 5.6 | >100 | 20.3 | -5 | **39.5** | 11.6 | >100 |
| Oil & Gas | **(15.7)** | (15.8) | -1 | (14.8) | +6 | **(30.5)** | (40.2) | -24 |
| Investments & Others | **(68.7)** | (17.3) | >100 | 15.7 | >100 | **(53.0)** | 25.2 | >100 |
| **Adjusted EBITDA** | **1,825.2** | 1,809.0 | +1 | 1,798.3 | +1 | **3,623.5** | 4,215.6 | -14 |
| Net fair value gain/(loss) on derivative financial instruments | **59.9** | (3.2) | >100 | (15.2) | >100 | **44.7** | (0.5) | >100 |
| Net fair value (loss)/gain on financial assets at fair value through profit or loss | **(2.0)** | 2.1 | >100 | 5.9 | >100 | **3.9** | (0.1) | >100 |
| Gain on disposal of available-for-sale financial assets | **20.4** | 144.0 | -86 | 0.7 | >100 | **21.1** | 144.0 | -85 |
| Gain on disposal of subsidiaries | **-** | - | - | 174.3 | -100 | **174.3** | - | NM |
| Property related termination costs | **-** | (39.4) | -100 | - | - | **-** | (39.4) | -100 |
| Impairment losses | **-** | - | - | (2.8) | -100 | **(2.8)** | (3.9) | -28 |
| Others | **(44.3)** | (19.4) | >100 | (36.5) | +21 | **(80.8)** | (96.3) | -16 |
| **EBITDA** | **1,859.2** | 1,893.1 | -2 | 1,924.7 | -3 | **3,783.9** | 4,219.4 | -10 |
| Depreciation and amortisation | **(434.8)** | (331.1) | +31 | (407.1) | +7 | **(841.9)** | (655.8) | +28 |
| Interest income | **64.0** | 45.9 | +39 | 44.8 | +43 | **108.8** | 83.0 | +31 |
| Finance cost | **(117.5)** | (107.7) | +9 | (111.4) | +5 | **(228.9)** | (256.7) | -11 |
| Share of results in jointly controlled entities and associates | **20.3** | 48.3 | -58 | 5.9 | >100 | **26.2** | 49.2 | -47 |
| **Profit before tax** | **1,391.2** | 1,548.5 | -10 | 1,456.9 | -5 | **2,848.1** | 3,439.1 | -17 |

NM = Not meaningful

**Quarter ended 30 June 2012 compared with quarter ended 30 June 2011**

The Group registered total revenue of RM4,512.6 million in the current quarter compared with RM4,462.8 million in the previous year's corresponding quarter, a marginal increase of 1%. Higher revenue was recorded from the leisure and hospitality and property divisions. Group profit before tax was RM1,391.2 million, a decrease of 10% compared with the previous year's corresponding quarter's profit of RM1,548.5 million.

Revenue from Resorts World Sentosa ("RWS") was affected by the marginally lower casino business when compared with the previous year's corresponding quarter. Consequently, the adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") of RWS was lower than that of the previous year's corresponding quarter .

The higher revenue from the leisure & hospitality business at Resorts World Genting in Malaysia ("RWG") was mainly due to the overall higher volume of business and higher hold percentage in the premium players business. This contributed to the higher adjusted EBITDA of RWG in the current quarter.

The leisure and hospitality business in the United Kingdom ("UK") registered an increase in revenue in the current quarter mainly due to the overall higher volume of business and higher hold percentage of its London casino operations. This contributed to the improved adjusted EBITDA of the UK segment.

Revenue and adjusted EBITDA from the leisure and hospitality business in the United States of America ("US") for the current quarter were mainly from the operations of Resorts World Casino New York City ("RWNYC"), which marked its debut on 28 October 2011. The revenue and adjusted EBITDA recorded in the previous year's corresponding quarter were in respect of construction revenue and construction profit from the development of RWNYC which was completed in 2011.

Revenue from the Power Division decreased mainly due to lower generation by the Meizhou Wan and Kuala Langat power plants. However, the adjusted EBITDA of the Power Division was higher than that of the previous year's corresponding quarter mainly due to contribution from the Jangi Wind Farm in India, a renewable energy plant which started commercial operation in December 2011.

Lower revenue was recorded by the Plantation Division due to lower palm product selling prices and lower FFB production. Other than lower revenue, the lower adjusted EBITDA was also due to rising input costs.

The Property Division's revenue included rental income from properties owned by the GENM Group in the City of Miami, Florida, US, which were acquired in the second quarter of 2011. The revenue from these properties contributed to a higher adjusted EBITDA from this Division.

**Half year ended 30 June 2012 compared with half year ended 30 June 2011**

Total revenue for the current half year was RM8,933.7 million, a decrease of 4% compared with RM9,352.0 million generated in 2011. All business segments recorded lower revenue other than the Property Division. The profit before tax of the Group was RM2,848.1 million, a decrease of 17% compared with RM3,439.1 million in 2011.

RWS recorded lower revenue in the first half of 2012 due to lower business volume in the premium player business. However, there was healthy growth in the hotel and Universal Studios Singapore's businesses. Consequently, the adjusted EBITDA of RWS decreased compared with 2011 due to the lower performance of the gaming segment and higher impairment on trade receivables.

RWG recorded higher revenue mainly due to the overall higher volume of business despite a lower hold percentage in the premium players business in the first quarter of 2012. However, its adjusted EBITDA decreased marginally in the current half year.

The improved revenue and adjusted EBITDA from the UK operations were due mainly to the overall higher volume of business and higher hold percentage of its London casino operations.

The revenue from the leisure and hospitality division in the US for the current half year was mainly from the operations of RWNYC whilst that for 2011 was in respect of construction revenue from the development of RWNYC which was completed in 2011. Included in the adjusted EBITDA for the current half year was a construction loss of RM48.2 million incurred due to cost overrun from the development of RWNYC.

The lower revenue from the Power Division was due mainly to lower dispatch from the Meizhou Wan power plant in the current half year. The revenue in 2011 had also included a compensation from the Fujian government in respect of an increase in tariff rate. The lower adjusted EBITDA was due mainly to the lower revenue, which was partially offset by the contribution from the Jangi Wind Farm in the current half year.

The Plantation Division recorded lower revenue in the current half year due to lower palm product selling prices and lower FFB production. Consequently, lower revenue and rising input costs resulted in a lower adjusted EBITDA in the current half year.

Higher revenue from the Property Division arose mainly from rental income from properties owned by the GENM Group in the City of Miami. Likewise, the adjusted EBITDA increased over that of 2011.

The Group's profit before tax for the current half year included a gain on disposal of subsidiaries of RM174.3 million arising from the disposal of the Company's indirect 100% equity interests in GONPL and SOGPL to AWE Limited which was completed in February 2012.

The previous half year's profit before tax had included the following one-off items:

- gain on disposal of available-for-sale financial assets by GENS of RM112.3 million;
- construction profit of RM28.4 million from the progressive development of RWNYC; and
- property related termination costs of RM39.4 million.

2. **Material Changes in Profit Before Taxation for the Current Quarter as compared with the immediate Preceding Quarter**

The Group registered a profit before tax of RM1,391.2 million in the current quarter compared with a profit before tax of RM1,456.9 million in the preceding quarter. Higher adjusted EBITDA was recorded from the leisure and hospitality and power divisions.

Lower adjusted EBITDA from RWS in the current quarter was mainly due to lower casino business.

Adjusted EBITDA from RWG in the current quarter grew mainly due to higher hold percentage despite a lower volume of business in the premium players business.

The higher adjusted EBITDA from the UK operations was contributed mainly by its London casino operations.

The US operations, which is mainly in respect of the operations of RWNYC, recorded a higher adjusted EBITDA in the current quarter. A construction loss of RM48.2 million was incurred in the preceding quarter arising from the cost overrun from the development of RWNYC.

Despite an increase in revenue, Plantation Division's adjusted EBITDA declined in the current quarter, reflecting changes in the sales mix, where a higher proportion of crude palm oil ("CPO") and palm kernel sales were derived from the processing of FFB sourced externally, in line with GENP's effort to boost mill capacity utilisation and economies of scale. With weather conditions more conducive in the current quarter, fertiliser application and upkeep activities were increased.

The higher adjusted EBITDA from the Power Division was mainly due to higher net generation by the Jangi power plant in the current quarter.

The profit before tax for the preceding quarter had included a gain on disposal of RM174.3 million arising from the disposal of the Company's indirect 100% equity interests in GONPL and SOGPL.

* *The comments on performance in Notes 1 and 2 above are based on the results of the respective subsidiaries and associates of the Company. Some of the subsidiaries are separately listed on the Malaysian and Singapore stock exchanges. Please refer to the respective listed subsidiaries' announcements of their interim results for a detailed review of their respective performance.*

| *Listed subsidiaries* | *Announcement date* |
|---|---|
| *Genting Singapore PLC* | *10 August 2012* |
| *Genting Plantations Bhd* | *28 August 2012* |
| *Genting Malaysia Bhd* | *29 August 2012* |

3. **Prospects**

The performance of the Group for the remaining period of the current financial year may be impacted as follows:

(a) Growth prospects in the Eurozone countries are expected to be constrained and will increase risks of prolonged uncertainties affecting the rest of the world.

The regional gaming business, as reported in Macau and Singapore, continues to grow albeit at a slower rate. Tourist arrivals in the ASEAN region continued to register growth, which augurs well for the leisure and hospitality industry. Whilst encouraged by these industry indicators, the GENM Group is nevertheless cautious on the industry outlook especially on the potential risks and spillover effects that may arise from a global economic slowdown.

In Malaysia, GENM continues to focus on yield management strategies and operational efficiencies in addressing regional competition. For the non-premium players business, GENM continues to focus on growing visitations. In addition, it will enhance its marketing activities to grow the premium players business. GENM has also embarked on various expansion and refurbishment initiatives at RWG with the aim of enhancing its hospitality offerings to cater for the evolving customer preferences;

(b) GENS is moving steadily towards the full opening of RWS by the end of 2012, with the construction and pre-opening operations of the Marine Life Park progressing well. New products which enhance RWS's appeal as a premier end-destination resort have been added.

With the anticipated completion of the West Zone, RWS will be gearing up for its Grand Opening celebrations in the last quarter of 2012. The full opening of RWS will allow them to reach out to a wider base of affluent travelers from new markets.

The Singapore government is set to make amendments to the Casino Control Act and RWS fully supports its aim of protecting financially vulnerable persons. RWS will continue to work closely with the authorities on implementing responsible gambling measures.

The global economy looks increasingly unfavourable. As RWS moves into the pre-operations phase of the Marine Life Park over the next few months, RWS will continue to see similar narrower EBITDA margins as in the current quarter.

RWS's operating activities have generated continuing steady cashflow. Looking ahead into 2013, this cashflow will improve further as its capital expenditure slows and RWS starts to see additional revenue from the new attractions in the West Zone;

(c) In the first half of 2012, the UK economy performed weaker than expected, to some extent as a result of the continuing uncertainties in Europe. The outlook will remain subdued with limited economic growth prospects for the foreseeable future. The GENM Group's focus on growing its premium players business, mainly the London casinos, has continued to gather traction, driven especially by its ability to harness its well established networks in Asia. As a result of the GENM Group's investments to improve the competitiveness of its provincial casinos outside of London, it is able to leverage on the heightened awareness of Genting's branding and its ability to provide high class offerings in the UK;

(d) In the US, RWNYC's performance remains commendable given that operations had started less than a year ago. Marketing efforts will be directed to build the US customers database and expand on loyalty programs. The GENM Group will also continue to intensify its efforts to build its presence in the US;

(e) The contribution of the Power Division in Malaysia will be reduced on the proposed sale of the Kuala Langat power plant to 1Malaysia Development Berhad. The Jangi Wind Farm is expected to perform well in the second half of 2012 due to the high wind season in Gujarat, India. The performance of the Meizhou Wan power plant in Fujian, China, is expected to stabilise in the second half of 2012 due to the softening of coal prices; and

(f) The direction of palm product prices and the FFB production trend will be the major drivers of the GENP Group's performance for the second half of the year. The protracted European financial crisis and the sluggish pace of recovery in the US, along with renewed concerns over a possible moderation in China's economic expansion, may continue to restrain upside in global commodity prices. However, should projections of severe drought damage to the US soybean crop and potential deterioration in weather conditions in oil palm growing regions materialise, any resultant tightening of world edible oil supplies would lend support to soyoil and CPO prices.

Notwithstanding weather patterns, the GENP Group is optimistic that its estates in Malaysia should recover from the lagged effect of the 2010 drought to stage a meaningful improvement in production in the second half of 2012 and help make up for the slow start to the year.

Historically, production of FFB peaks in the second half of the year. Barring any adverse weather developments, the expected improvement in production in Malaysia will be complemented by higher crop contribution from the Indonesia operations, where additional planted areas will progressively be reaching maturity over the course of the remainder of the year. Furthermore, the scheduled completion of the GENP Group's palm oil processing capacities in third quarter of 2012 will provide a timely boost to the Indonesia operations in terms of operational efficiency while plantation development activities continue.

Notwithstanding the better production outlook, the GENP Group expects the prevailing upward pressure on operating costs to continue in view of higher input costs for fertiliser, fuel and labour.

4. **Variance of Actual Profit from Forecast Profit**

The Group did not issue any profit forecast or profit guarantee for the year.

5. **Taxation**

The breakdown of tax charges for the current quarter and half year ended 30 June 2012 are set out below:

| | **Current quarter RM'000** | **Current financial year-to-date RM'000** |
|---|---|---|
| Current taxation | | |
| Malaysian income tax charge | 212,870 | 396,576 |
| Foreign income tax charge | 155,808 | 303,385 |
| | 368,678 | 699,961 |
| Deferred tax credit | (42,920) | (62,552) |
| | 325,758 | 637,409 |
| Prior period taxation | | |
| Income tax over provided | (58) | (582) |
| Deferred tax under provided | 13,725 | 16,035 |
| | 339,425 | 652,862 |

The effective tax rate of the Group before adjustments in respect of prior period taxation for the current quarter and half year ended 30 June 2012 is lower than the Malaysian statutory income tax rate mainly due to income not subjected to tax and income subjected to lower tax rates in certain jurisdictions partially offset by expenses not deductible for tax purposes.

6. **Profit before taxation**

Profit before taxation has been determined after inclusion of the following charges and credits:

| | Current quarter RM'000 | Current financial year-to-date RM'000 |
|---|---|---|
| **Charges:** | | |
| Finance cost | 117,475 | 228,918 |
| Depreciation and amortisation | 434,892 | 841,940 |
| Loss on disposal of property, plant and equipment | 4,530 | - |
| Net foreign exchange loss | 69,053 | 66,072 |
| Impairment loss and write off of receivables | 77,281 | 166,617 |
| Impairment losses | - | 2,822 |
| **Credits:** | | |
| Interest income | 64,094 | 108,846 |
| Investment income | 11,024 | 22,017 |
| Net fair value gain on derivative financial instruments | 59,899 | 44,653 |
| Gain on disposal of unquoted available-for-sale financial assets | - | 673 |
| Gain on disposal of quoted available-for-sale financial assets | 20,442 | 20,442 |
| Gain on disposal of unquoted subsidiaries | - | 174,298 |
| Gain on disposal of property, plant and equipment | - | 5,789 |

Other than the above, there were no provision for and write off of inventories for the current quarter and half year ended 30 June 2012.

7. **Status of Corporate Proposals Announced**

(i) **Proposed JV between Ketapang Holdings Pte Ltd ("KHoldings"), an indirect wholly owned subsidiary of GENP, Palma Citra Investama Pte Ltd ("Palma") and PT Sawit Mandira ("PTMandira") to develop 17,360 hectares *(based on Izin Lokasi or Location Permit)* into oil palm plantation ("Proposed JV")**

With reference to GENP's announcement dated 5 June 2009 in respect of the Proposed Joint Ventures ("Proposed JV") for oil palm cultivation in Kabupaten Ketapang, Provinsi Kalimantan Barat, Republic of Indonesia, GENP had on 22 December 2011 further announced that KHoldings, Palma and PTMandira had on 22 December 2011 mutually agreed to extend the period for fulfillment of the obligations to obtain all requisite licences, permits or approvals referred to in the Joint Venture Agreement dated 5 June 2009 for the Proposed JV ("JV Agreement") for a further period of 1 year commencing from 1 January 2012 and ending on 31 December 2012. Save as set out above, all other terms and conditions of the JV agreement remain unchanged. The JV Agreement is still conditional as at 21 August 2012.

(ii) **Proposed Joint Venture for the development and cultivation of oil palm plantation of approximately 74,000 hectares located at Kabupaten Kapuas and Barito Selatan, Kalimantan Tengah, Republic of Indonesia**

On 13 April 2012, GENP announced that Sunyield Success Sdn Bhd ("Purchaser"), a wholly owned subsidiary of GENP, had on 13 April 2012 entered into a Sale and Purchase and Subscription Agreement ("SPS Agreement") with Global Agrindo Investment Company Limited ("Vendor") and Global Agripalm Investment Holdings Pte Ltd ("JV Co") for the purpose of establishing a joint venture for the development and cultivation of approximately 74,000 hectares of oil palm plantation in Kabupaten Kapuas and Barito Selatan, Kalimantan Tengah, Republic of Indonesia. The completion of the SPS Agreement will take place seven business days after fulfillment of nine conditions precedent unless otherwise waived by the Purchaser, which shall not be later than 30 June 2012. GENP had on 5 July 2012 further announced that the Purchaser, Vendor and JV Co had entered into a Supplementary Agreement to extend the Completion Date referred to in the SPS Agreement to not later than 30 September 2012. The SPS Agreement is still conditional as at 21 August 2012.

Other than the above and as disclosed in Note (i) in Part I of this interim financial report, there were no other corporate proposals announced but not completed as at 22 August 2012.

8. **Group Borrowings and Debt Securities**

The details of the Group's borrowings and debt securities as at 30 June 2012 are as set out below:

| | Secured/ Unsecured | Foreign Currency 'million | | RM Equivalent 'million |
|---|---|---|---|---|
| Short term borrowings | Secured | SGD | 460.9 | 1,151.7 |
| | Secured | RMB | 359.0 | 180.0 |
| | Secured | USD | 44.8 | 143.1 |
| | Secured | GBP | 0.1 | 0.2 |
| | Secured | IDR | 422.2 | 0.1 |
| | Unsecured | SGD | 153.7 | 383.9 |
| | Unsecured | GBP | 44.7 | 223.0 |
| | Unsecured | RMB | 1.0 | 0.5 |
| Long term borrowings | Secured | SGD | 2,458.4 | 6,143.0 |
| | Secured | USD | 492.0 | 1,570.2 |
| | Secured | RMB | 1,347.7 | 675.7 |
| | Secured | GBP | 0.1 | 0.7 |
| | Unsecured | USD | 296.6 | 946.7 |
| | Unsecured | RMB | 299.0 | 149.9 |
| | Unsecured | | | 3,594.5 |

9. **Outstanding Derivatives**

As at 30 June 2012, the values and maturity analysis of the outstanding derivatives of the Group are as follows:

| **Types of Derivative** | **Contract/ Notional Value RM'million** | **Fair Value Assets/ (Liabilities) RM'million** |
|---|---|---|
| Cross Currency Swaps | | |
| USD | 324.4 | |
| - Less than 1 year | | (6.3) |
| - 1 year to 3 years | | (8.7) |
| - More than 3 years | | 84.9 |
| Interest Rate Swaps | | |
| USD | 127.7 | |
| - More than 3 years | | (5.9) |
| SGD | 1,249.4 | |
| - Less than 1 year | | (6.4) |
| - 1 year to 3 years | | (6.5) |
| Interest Rate Capped Libor-In-Arrears Swap | | |
| USD | 191.5 | |
| - Less than 1 year | | (1.3) |
| - 1 year to 3 years | | (2.9) |
| - More than 3 years | | (0.6) |
| Forward Foreign Currency Exchange | | |
| USD | 59.0 | |
| - Less than 1 year | | (0.7) |
| Compound Financial Instruments | | |
| USD | 168.1 | |
| - Less than 1 year | | (58.5) |
| - 1 year to 3 years | | (79.1) |

The Group has purchased the compound financial instruments as part of its investment strategy to enhance yield. The Group is exposed to market and credit risks arising from the compound financial instruments. To manage counterparty risks, the Group has purchased the compound financial instruments from reputable financial institutions.

The compound financial instruments are initially recognised at its fair value on the date the contract is entered into and is subsequently carried at its fair value with fair value changes recognised in profit or loss.

Other than the above, there is no significant change for the financial derivatives in respect of the following since the last financial year ended 31 December 2011:

(a) the credit risk, market risk and liquidity risk associated with these financial derivatives;

(b) the cash requirements of the financial derivatives; and

(c) the policy in place for mitigating or controlling the risks associated with these financial derivatives.

10. **Fair value changes of financial liabilities**

The details of fair value changes of financial liabilities for the current quarter and half year ended 30 June 2012 are as follows:

| Type of financial liability | Current quarter fair value gain/(loss) RM'million | Current financial year-to-date fair value gain/(loss) RM'million | Basis of fair value measurement | Reasons for the gain/(loss) |
|---|---|---|---|---|
| Interest Rate Swaps | (2.8) | (1.0) | Interest rate differential between the fixed contracted rate and the current market fixing rate | The interest rates differential between the contracted rate and the market rate up to the respective maturity dates of the contracts have moved unfavourably for the Group |
| Forward Foreign Currency Exchange Contracts | 0.2 | 0.9 | Foreign exchange differential between the contracted rate and the market forward rate | The foreign exchange rates differential between the contracted rate and the market forward rate from the last measurement date or contract date up to the respective maturity dates of the forward contracts have moved favourably for the Group |
| Compound Financial Instruments | 29.5 | 29.5 | The fair value of the derivatives is determined by using valuation techniques and the assumptions are based on the market rates at the date of purchase for initial recognition, and at each reporting date for subsequent measurement | The market rates at the reporting date have moved favourably for the Group |

11. **Changes in Material Litigation**

On the status of the legal suit No. K22-245 of 2002 with regards to the claim for Native Customary Rights over the agricultural land or part thereof held under title number CL095330724 measuring approximately 8,830 hectares situated at Sungai Tongod, District of Kinabatangan, Sandakan, Sabah, the Court of Appeal had on 9 June 2011, upheld the decision of the High Court and dismissed the Plaintiffs' appeal against the preliminary objection raised by the Defendants (the "Court of Appeal's Ruling").

The Plaintiffs had filed a motion for leave to appeal before the Federal Court against the Court of Appeal's Ruling ("the Appeal"). On 25 July 2011, the Federal Court granted leave for the Appeal, which was heard and allowed by the Federal Court on 24 November 2011. The Federal Court further ordered that the matter be remitted to the High Court to hear the Appeal for the Application to Strike Out. The High Court had on 21 March 2012 dismissed the Appeal for Application to Strike Out with cost ("High Court Decision") and ordered the parties to proceed with trial.

On an application by the Plaintiffs, the High Court had allowed the Plaintiffs' application to amend the Statement of Claim and for joinder of two additional parties as the Sixth and Seventh Defendants, namely the Assistant Collector of Land Revenue, Tongod and the Registrar of Titles.

GENP and Genting Tanjung Bahagia Sdn Bhd, its wholly owned subsidiary, being the Second and Third Defendants respectively had on 17 April 2012 filed a Notice of Appeal to the Court of Appeal against the High Court Decision. The Court of Appeal has yet to fix any date for the hearing of the appeal.

The High Court had vacated the trial dates on 18 September 2012 – 21 September 2012 and 29 October 2012 – 31 October 2012 and also set the mention date of 4 October 2012 to fix the new trial dates.

Other than the above, there have been no changes to the status of the aforesaid litigation as at 21 August 2012.

There were also no other pending material litigations since the last financial year ended 31 December 2011 and up to 22 August 2012.

12. **Dividend Proposed or Declared**

(a) i) An interim dividend for the half year ended 30 June 2012 has been declared by the Directors.

ii) The interim dividend for the half year ended 30 June 2012 is 3.5 sen per ordinary share of 10 sen each, less 25% tax.

iii) The interim dividend declared and paid for the previous year's corresponding period was 3.5 sen per ordinary share of 10 sen each, less 25% tax.

iv) The interim dividend shall be payable on 25 October 2012.

v) Entitlement to the interim dividend:

A Depositor shall qualify for entitlement to the interim dividend only in respect of:

- Shares transferred into the Depositor's Securities Account before 4.00 pm on 28 September 2012 in respect of ordinary transfers; and

- Shares bought on Bursa Securities on a cum entitlement basis according to the Main Market Listing Requirements of Bursa Securities.

(b) The total dividend payable for the half year ended 30 June 2012 is 3.5 sen per ordinary share of 10 sen each, less 25% tax.

13. **Earnings Per Share ("EPS")**

(a) The earnings used as the numerator in calculating basic and diluted earnings per share for the current quarter and half year ended 30 June 2012 is as follows:

| | **Current quarter RM'000** | **Current financial year-to-date RM'000** |
|---|---|---|
| Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Basic EPS) | 534,548 | 1,228,181 |
| Net impact on earnings on potential exercise of Employee Share Options awarded to executives of the Company's subsidiaries | (1,354) | (3,140) |
| Profit for the financial period attributable to equity holders of the Company (used as numerator for the computation of Diluted EPS) | 533,194 | 1,225,041 |

(b) The weighted average number of ordinary shares used as the denominator in calculating basic and diluted earnings per share for the current quarter and half year ended 30 June 2012 is as follows:

| | **Current quarter No. of shares '000** | **Current financial year-to-date No. of shares '000** |
|---|---|---|
| Weighted average number of ordinary shares in issue (used as denominator for the computation of Basic EPS) | 3,693,899 | 3,692,805 |
| Adjustment for share options granted under the ESOS to executives of Genting Berhad | 325 | 264 |
| Weighted average number of ordinary shares in issue (used as denominator for the computation of Diluted EPS) | 3,694,224 | 3,693,069 |

14. **Realised and Unrealised Profits/Losses**

The breakdown of the retained profits of the Group as at 30 June 2012, into realised and unrealised profits, pursuant to a directive issued by Bursa Securities on 25 March 2010 and 20 December 2010 is as follows:

| | **As at the end of current quarter RM'million** | **As at the end of last financial year RM'million** |
|---|---|---|
| Total retained profits/(accumulated losses) of Genting Berhad and its subsidiaries: | | |
| - Realised | 25,658.4 | 24,117.3 |
| - Unrealised | (1,669.1) | (1,594.8) |
| | 23,989.3 | 22,522.5 |
| Total share of retained profits/(accumulated losses) from associated companies: | | |
| - Realised | 391.8 | 383.0 |
| - Unrealised | (13.8) | (30.2) |
| Total share of accumulated losses from jointly controlled entities: | | |
| - Realised | (46.8) | (52.7) |
| | 24,320.5 | 22,822.6 |
| Less: Consolidation adjustments | (7,000.8) | (6,603.7) |
| Total Group retained profits as per consolidated accounts | 17,319.7 | 16,218.9 |

The determination of realised and unrealised profits is compiled based on Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for the purposes of complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

**15. Disclosure of Audit Report Qualification and Status of Matters Raised**

The audit report of the Group's annual financial statements for the financial year ended 31 December 2011 did not contain any qualification.

**16. Approval of Interim Financial Statements**

The interim financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 29 August 2012.

GENTING
BERHAD
(No. 7916-A)

**PRESS RELEASE** **For Immediate Release**

# GENTING BERHAD ANNOUNCES SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2012

**KUALA LUMPUR, 29 AUGUST 2012** - Genting Berhad today announced its financial results for the second quarter ("2Q12") and first half ("1H12") of 2012.

In 2Q12, Group revenue was RM4,512.6 million compared with RM4,462.8 million in the previous year's corresponding quarter ("2Q11"), a marginal increase of 1%. Higher revenue was recorded from the leisure and hospitality and property divisions. Group profit before tax decreased by 10% to RM1,391.2 million compared with RM1,548.5 million in 2Q11.

Revenue from Resorts World Sentosa ("RWS") was affected by the marginally lower casino business when compared with 2Q11. Consequently, the adjusted earnings before interest, tax, depreciation and amortisation ("EBITDA") of RWS was lower than 2Q11.

Revenue from the leisure and hospitality business at Resorts World Genting in Malaysia ("RWG") was higher due mainly to the overall higher volume of business and higher hold percentage in the premium players business. This contributed to the higher EBITDA of RWG in 2Q12.

Revenue from the United Kingdom ("UK") operations was also higher due mainly to the overall higher volume of business and higher hold percentage of its London casino operations. This contributed to the improved EBITDA of the UK segment in 2Q12.

Revenue and EBITDA from the leisure and hospitality business in the United States of America ("US") in 2Q12 were mainly from the operations of Resorts World Casino New York City ("RWNYC"), which marked its debut on 28 October 2011. The revenue and EBITDA recorded in 2Q11 were in respect of construction revenue and construction profit from the development of RWNYC which was completed in 2011.

Revenue from the Power Division decreased due mainly to lower generation by the Meizhou Wan and Kuala Langat power plants. However, EBITDA of the Power Division was higher than in 2Q11 due mainly to the contribution from the Jangi Wind Farm in India, a renewable energy plant which started commercial operation in December 2011.

The Plantation Division owned by Genting Plantations Berhad ("GENP") recorded lower revenue due to lower palm product selling prices and lower FFB production as well as lower EBITDA due to the foregoing and rising input costs.

The Property Division's revenue included rental income from properties owned by the Genting Malaysia Berhad ("GENM") Group in the City of Miami, Florida, US, which were acquired in 2Q11. The revenue from these properties contributed to a higher EBITDA from this Division.

In 1H12, Group revenue decreased by 4% to RM8,933.7 million, compared with RM9,352.0 million generated in first half of 2011 ("1H11"). All business segments recorded lower revenue other than the Property Division. Group profit before tax was RM2,848.1 million, a decrease of 17% compared with RM3,439.1 million in 1H11.

In Singapore, RWS recorded lower revenue and EBITDA in 1H12 due to lower business volume in the premium player business and higher impairment on trade receivables. However, there was healthy growth in the hotel and Universal Studios Singapore's businesses.

In Malaysia, RWG recorded higher revenue due mainly to the overall higher volume of business despite a lower hold percentage in the premium players business in 1Q12. EBITDA decreased marginally in 1H12.

The UK casino operations saw an improvement in revenue and EBITDA due mainly to higher volume of business and higher hold percentage of its London casino operations.

In US, revenue for 1H12 was mainly from the operations of RWNYC while 1H11 was in respect of construction revenue from the development of RWNYC which was completed in 2011. EBITDA in 1H12 included a construction loss of RM48.2 million arising from cost overrun from the development of RWNYC.

The Power Division recorded lower revenue in 1H12 due mainly to lower dispatch from the Meizhou Wan power plant. The revenue in 1H11 had also included a compensation from the Fujian government in respect of an increase in tariff rate. The lower EBITDA was due mainly to the lower revenue, which was partially offset by the contribution from the Jangi Wind Farm in 1H12.

The Plantation Division recorded lower revenue in 1H12 due to lower palm product selling prices and lower FFB production. Consequently, lower revenue and rising input costs resulted in a lower EBITDA in 1H12.

Higher revenue from the Property Division arose mainly from rental income from properties owned by the GENM Group in the City of Miami. Likewise, EBITDA increased over that of 1H11.

The Group's profit before tax in 1H12 included a gain on disposal of subsidiaries of RM174.3 million arising from the disposal of the Company's indirect 100% equity interests in Genting Oil Natuna Pte Ltd and Sanyen Oil & Gas Pte Ltd to AWE Limited, which was completed in February 2012.

Profit before tax in 1H11 had included the following one-off items: (a) gain on disposal of available-for-sale financial assets by Genting Singapore PLC ("GENS") of RM112.3 million; (b) construction profit of RM28.4 million from the progressive development of RWNYC; and (c) property related termination costs of RM39.4 million.

The performance of the Group for the remaining period of the current financial year may be impacted as follows:

a) Growth prospects in the Eurozone countries are expected to be constrained and will increase risks of prolonged uncertainties affecting the rest of the world.

   The regional gaming business, as reported in Macau and Singapore, continues to grow albeit at a slower rate. Tourist arrivals in the ASEAN region continued to register growth, which augurs well for the leisure and hospitality industry. Whilst encouraged by these industry indicators, the GENM Group is nevertheless cautious on the industry outlook especially on the potential risks and spillover effects that may arise from a global economic slowdown.

   In Malaysia, GENM continues to focus on yield management strategies and operational efficiencies in addressing regional competition. For the non-premium players business, GENM continues to focus on growing visitations. In addition, it will enhance its marketing activities to grow the premium players business. GENM has also embarked on various expansion and refurbishment initiatives at RWG with the aim of enhancing its hospitality offerings to cater for the evolving customer preferences;

b) GENS is moving steadily towards the full opening of RWS by the end of 2012, with the construction and pre-opening operations of the Marine Life Park progressing well. New products which enhanced RWS's appeal as a premier end-destination resort have been added.

   With the anticipated completion of the West Zone, RWS will be gearing up for its Grand Opening celebrations in the last quarter of 2012. The full opening of RWS will allow them to reach out to a wider base of affluent travelers from new markets.

   The Singapore government is set to make amendments to the Casino Control Act and RWS fully supports its aim of protecting financially vulnerable persons. RWS will continue to work closely with the authorities on implementing responsible gambling measures.

   The global economy looks increasingly unfavourable. As RWS moves into the pre-operations phase of the Marine Life Park over the next few months, RWS will continue to see similar narrower EBITDA margins as in the current quarter.

   RWS's operating activities have generated continuing steady cashflow. Looking ahead into 2013, this cashflow will improve further as its capital expenditure slows and RWS starts to see additional revenue from the new attractions in the West Zone;

c) In the first half of 2012, the UK economy performed weaker than expected, to some extent as a result of the continuing uncertainties in Europe. The outlook will remain subdued with limited economic growth prospects for the foreseeable future. The GENM Group's focus on growing its premium players business, mainly the London casinos, has continued to gather traction, driven especially by its ability to harness its well established networks in Asia. As a result of the GENM Group's investments to improve the competitiveness of its provincial casinos outside of London, it is able to leverage on the heightened awareness of Genting's branding and its ability to provide high class offerings in the UK;

d) In the US, RWNYC's performance remains commendable given that operations had started less than a year ago. Marketing efforts will be directed to build the US customers database and expand on loyalty programs. The GENM Group will also continue to intensify its efforts to build its presence in the US;

e) The contribution of the Power Division in Malaysia will be reduced on the proposed sale of the Kuala Langat power plant to 1Malaysia Development Berhad. The Jangi Wind Farm is expected to perform well in the second half of 2012 due to the high wind season in Gujarat, India. The performance of the Meizhou Wan power plant in Fujian, China, is expected to stabilise in the second half of 2012 due to the softening of coal prices; and

f) The direction of palm product prices and the FFB production trend will be the major drivers of the GENP Group's performance for the second half of the year. The protracted European financial crisis and the sluggish pace of recovery in the US, along with renewed concerns over a possible moderation in China's economic expansion, may continue to restrain upside in global commodity prices. However, should projections of severe drought damage to the US soybean crop and potential deterioration in weather conditions in oil palm growing regions materialise, any resultant tightening of world edible oil supplies would lend support to soyoil and CPO prices.

   Notwithstanding weather patterns, the GENP Group is optimistic that its estates in Malaysia should recover from the lagged effect of the 2010 drought to stage a meaningful improvement in production in the second half of 2012 and help make up for the slow start to the year.

   Historically, production of FFB peaks in the second half of the year. Barring any adverse weather developments, the expected improvement in production in Malaysia will be complemented by higher crop contribution from the Indonesia operations, where additional planted areas will progressively be reaching maturity over the course of the remainder of the year. Furthermore, the scheduled completion of the GENP Group's palm oil processing capacities in third quarter of 2012 will provide a timely boost to the Indonesia operations in terms of operational efficiency while plantation development activities continue.

   Notwithstanding the better production outlook, the GENP Group expects the prevailing upward pressure on operating costs to continue in view of higher input costs for fertiliser, fuel and labour.

The Board of Directors has declared a gross interim dividend of 3.5 sen per ordinary share of 10 sen each, less 25% tax for 1H12. The interim dividend declared in 1H11 was also 3.5 sen per ordinary share of 10 sen each, less 25% tax.

GENTING
BERHAD
(No. 7916-A)

**PRESS RELEASE** **For Immediate Release**

| GENTING BERHAD<br>SUMMARY OF RESULTS | 2Q2012<br>RM'million | 2Q2011<br>RM'million | 2Q12 vs<br>2Q11<br>% | 1H2012<br>RM'million | 1H2011<br>RM'million | 1H12 vs<br>1H11<br>% |
|---|---|---|---|---|---|---|
| **Revenue** | | | | | | |
| Leisure & Hospitality | | | | | | |
| - Malaysia | 1,397.7 | 1,327.2 | +5 | 2,708.2 | 2,650.0 | +2 |
| - Singapore | 1,728.9 | 1,758.9 | -2 | 3,632.2 | 3,943.7 | -8 |
| - United Kingdom | 470.9 | 187.0 | >100 | 812.9 | 533.7 | +52 |
| - United States of America | 216.7 | 363.1 | -40 | 435.1 | 627.7 | -31 |
| | 3,814.2 | 3,636.2 | +5 | 7,588.4 | 7,755.1 | -2 |
| Power | 371.5 | 438.3 | -15 | 713.2 | 920.6 | -23 |
| Plantation | 266.5 | 340.9 | -22 | 514.9 | 594.5 | -13 |
| Property | 45.4 | 29.4 | +54 | 86.0 | 51.0 | +69 |
| Oil & Gas | - | - | - | - | - | - |
| Investments & Others | 15.0 | 18.0 | -17 | 31.2 | 30.8 | +1 |
| | **4,512.6** | **4,462.8** | +1 | **8,933.7** | **9,352.0** | -4 |
| **Profit before tax** | | | | | | |
| Leisure & Hospitality | | | | | | |
| - Malaysia | 696.5 | 647.0 | +8 | 1,283.3 | 1,310.1 | -2 |
| - Singapore | 768.6 | 866.2 | -11 | 1,699.4 | 2,149.6 | -21 |
| - United Kingdom | 130.2 | (7.7) | >100 | 164.6 | 68.1 | >100 |
| - United States of America | 60.6 | 15.0 | >100 | 61.9 | 28.4 | >100 |
| | 1,655.9 | 1,520.5 | +9 | 3,209.2 | 3,556.2 | -10 |
| Power | 141.6 | 123.7 | +14 | 266.9 | 334.1 | -20 |
| Plantation | 92.9 | 192.3 | -52 | 191.4 | 328.7 | -42 |
| Property | 19.2 | 5.6 | >100 | 39.5 | 11.6 | >100 |
| Oil & Gas | (15.7) | (15.8) | -1 | (30.5) | (40.2) | -24 |
| Investments & Others | (68.7) | (17.3) | >100 | (53.0) | 25.2 | >100 |
| **Adjusted EBITDA** | 1,825.2 | 1,809.0 | +1 | 3,623.5 | 4,215.6 | -14 |
| Net fair value gain/(loss) on derivative financial instruments | 59.9 | (3.2) | >100 | 44.7 | (0.5) | >100 |
| Net fair value (loss)/gain on financial assets at fair value through profit or loss | (2.0) | 2.1 | >100 | 3.9 | (0.1) | >100 |
| Gain on disposal of available-for-sale financial assets | 20.4 | 144.0 | -86 | 21.1 | 144.0 | -85 |
| Gain on disposal of subsidiaries | - | - | - | 174.3 | - | NM |
| Property related termination costs | - | (39.4) | -100 | - | (39.4) | -100 |
| Impairment losses | - | - | - | (2.8) | (3.9) | -28 |
| Others | (44.3) | (19.4) | >100 | (80.8) | (96.3) | -16 |
| **EBITDA** | 1,859.2 | 1,893.1 | -2 | 3,783.9 | 4,219.4 | -10 |
| Depreciation and amortisation | (434.8) | (331.1) | +31 | (841.9) | (655.8) | +28 |
| Interest income | 64.0 | 45.9 | +39 | 108.8 | 83.0 | +31 |
| Finance cost | (117.5) | (107.7) | +9 | (228.9) | (256.7) | -11 |
| Share of results in jointly controlled entities and associates | 20.3 | 48.3 | -58 | 26.2 | 49.2 | -47 |
| **Profit before tax** | **1,391.2** | **1,548.5** | -10 | **2,848.1** | **3,439.1** | -17 |
| Taxation | (339.4) | (350.9) | -3 | (652.8) | (795.5) | -18 |
| **Profit for the period** | **1,051.8** | **1,197.6** | -12 | **2,195.3** | **2,643.6** | -17 |
| Basic earnings per share (sen) | 14.47 | 18.17 | -20 | 33.26 | 40.42 | -18 |

NM= Not meaningful

GENTING BERHAD
(No. 7916-A)

**PRESS RELEASE** **For Immediate Release**

**About GENTING (www.genting.com):**

Genting Berhad, its subsidiaries and affiliates operating under the “Genting” name, is recognised as one of Asia’s leading and best managed multinationals. There are 5 public companies listed in 3 jurisdictions operating under the “Genting” name, namely Genting Berhad, its subsidiaries Genting Malaysia Berhad, Genting Plantations Berhad and Genting Singapore PLC as well as its affiliate, Genting Hong Kong Limited, with a combined market capitalisation of about RM110 billion (US$35 billion) as at 29 August 2012.

These public companies and their subsidiaries and affiliates are involved in various businesses, including leisure & hospitality, power generation, oil palm plantation, property development, biotechnology and oil & gas. Collectively, they have over 52,000 employees, 4,500 hectares of prime resort land and about 166,000 hectares of plantation land.

The leisure & hospitality business operates using various brand names including “Resorts World”, “Maxims”, “Crockfords”, “Awana”, “Star Cruises” and “Norwegian Cruise Line”. In addition to Premium Outlets®, Genting companies have tie ups with Universal Studios, Hard Rock Hotel and other renowned international brands.

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